

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1917

ANSWERED ON:24.08.2007

OPENING OF BANKS IN MINORITY DOMINATED DISTRICTS

Pallani Shamy Shri K.C .;Pandey Dr. Laxminarayan;Rijiju Shri Kiren

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government is contemplating to open the branches of banks in minority dominated districts of the country;
- (b) if so, the details thereof;
- (c) whether the minority dominated districts have been identified for the purpose; and
- (d) if so,, the details thereof, State-wise, district-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIPAWAN KUMAR BANSAL)

(a)to(d): Yes, Sir. As per the decision taken in the meeting of the Union Finance Minister with the Chief Executives of Public Sector Banks (PSBs)/Financial Institutions on 19.4.2007, all PSBs were advised to open more branches in the identified minority concentration districts. Banks were also asked to finalize their proposals for new branches and submit to the RBI. Under the extant Branch Authorisation Policy, banks are encouraged to open branches in rural and under-banked districts, which will cover many of the minority concentrated districts. In its circular dated 16.7.2007, the Reserve Bank of India (RBI) has issued a consolidated list of 121 minority concentration districts, having at least 25% of minority population, to scheduled commercial banks specially for monitoring credit flow to the minorities. A list of 121 Minority Concentration Districts circulated by the RBI to all the scheduled commercial banks to ensure that minority communities receive an equitable portion of credit within the overall target of the Priority Sector under the Prime Minister's New 15-Point Programme for the Welfare of Minorities, is annexed.